

AMENDED IN ASSEMBLY MAY 7, 2009

AMENDED IN ASSEMBLY APRIL 2, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1406

Introduced by Assembly Member Emmerson

February 27, 2009

An act to ~~amend Section 31522.5 of~~ *add Section 31522.7 to* the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1406, as amended, Emmerson. County—~~boards~~ *board* of retirement: ~~Orange County and San Bernardino County.~~

The County Employees Retirement Law of 1937 authorizes the board of retirement of ~~Orange County, and that of~~ San Bernardino County upon resolution by the board of retirement, to appoint specified management, investment, and legal personnel. These appointees are not classified as county employees and are therefore not subject to the civil service system, but are employees of that retirement system, subject to the terms of employment determined by the board of retirement. *Existing law provides that the compensation of certain of these personnel is an expense of administration of the retirement system, while the compensation of other of these personnel is considered as a reduction in earnings from the system's investments or a charge against the assets of the system.*

This bill would ~~extend the authority of the retirement boards described above~~ *enact similar provisions applicable only to the board of retirement in San Bernardino County, upon adoption by resolution, to appoint their* specified personnel outside the civil service system to apply to

supervisors and employees with specialized training and knowledge in pension benefit member services, investment reporting compliance, investment accounting, pension benefit tax reporting, pension benefit financial accounting, ~~and~~ pension law, *and legal counsel*.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 31522.7 is added to the Government Code,*
2 *to read:*
3 *31522.7. (a) In addition to the authority provided pursuant to*
4 *Section 31522.5, the board of retirement in the County of San*
5 *Bernardino may appoint an administrator, an assistant*
6 *administrator, a chief investment officer, senior management*
7 *employees next in line of authority to the chief investment officer,*
8 *subordinate administrators, senior management employees next*
9 *in line of authority to subordinate administrators, supervisors and*
10 *employees with specialized training and knowledge in pension*
11 *benefit member services, investment reporting compliance,*
12 *investment accounting, pension benefit tax reporting, pension*
13 *benefit financial accounting, pension law, and legal counsel.*
14 *(b) Notwithstanding any other provision of law, the personnel*
15 *appointed pursuant to this section may not be county employees*
16 *but shall be employees of the retirement system, subject to terms*
17 *and conditions of employment established by the board of*
18 *retirement. Except as specifically provided in this subdivision, all*
19 *other personnel shall be county employees for purposes of the*
20 *county's employee relations resolution, or equivalent local rules,*
21 *and the terms and conditions of employment established by the*
22 *board of supervisors for county employees, including those set*
23 *forth in a memorandum of understanding.*
24 *(c) Except as otherwise provided by Sections 31529.9 and*
25 *31596.1, the compensation of personnel appointed pursuant to*
26 *this section shall be an expense of administration of the retirement*
27 *system, pursuant to Section 31580.2.*
28 *(d) The board of retirement and board of supervisors may enter*
29 *into any agreements as may be necessary and appropriate to carry*
30 *out the provisions of this section.*

1 *(e) Section 31522.2 is not applicable if a retirement system*
2 *elects to appoint personnel pursuant to this section.*

3 *(f) This section shall apply only to the retirement system*
4 *established under this chapter in San Bernardino County at such*
5 *time as the board of retirement, by resolution, makes this section*
6 *applicable in that county.*

7 ~~SECTION 1. Section 31522.5 of the Government Code is~~
8 ~~amended to read:~~

9 ~~31522.5. (a) In a county in which the board of retirement has~~
10 ~~appointed personnel pursuant to Section 31522.1, the board of~~
11 ~~retirement may appoint an administrator, an assistant administrator,~~
12 ~~a chief investment officer, senior management employees next in~~
13 ~~line of authority to the chief investment officer, subordinate~~
14 ~~administrators, senior management employees next in line of~~
15 ~~authority to subordinate administrators, supervisors and employees~~
16 ~~with specialized training and knowledge in pension benefit member~~
17 ~~services, investment reporting compliance, investment accounting,~~
18 ~~pension benefit tax reporting, pension benefit financial accounting,~~
19 ~~and pension law, and legal counsel.~~

20 ~~(b) Notwithstanding any other provision of law, the personnel~~
21 ~~appointed pursuant to this section may not be county employees~~
22 ~~but shall be employees of the retirement system, subject to terms~~
23 ~~and conditions of employment established by the board of~~
24 ~~retirement. Except as specifically provided in this subdivision, all~~
25 ~~other personnel shall be county employees for purposes of the~~
26 ~~county's employee relations resolution, or equivalent local rules,~~
27 ~~and the terms and conditions of employment established by the~~
28 ~~board of supervisors for county employees, including those set~~
29 ~~forth in a memorandum of understanding.~~

30 ~~(c) Except as otherwise provided by Sections 31529.9 and~~
31 ~~31596.1, the compensation of personnel appointed pursuant to this~~
32 ~~section shall be an expense of administration of the retirement~~
33 ~~system, pursuant to Section 31580.2.~~

34 ~~(d) The board of retirement and board of supervisors may enter~~
35 ~~into any agreements as may be necessary and appropriate to carry~~
36 ~~out the provisions of this section.~~

37 ~~(e) Section 31522.2 is not applicable to any retirement system~~
38 ~~that elects to appoint personnel pursuant to this section.~~

39 ~~(f) This section shall apply only in Orange County.~~

1 ~~(g) This section shall apply to the retirement system established~~
2 ~~under this chapter in San Bernardino County at such time as the~~
3 ~~board of retirement, by resolution, makes this section applicable~~
4 ~~in that county.~~

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